

VZCZCXRO3211
PP RUEHFK
DE RUEHKO #1285 0820427
ZNR UUUUU ZZH
P 230427Z MAR 07
FM AMEMBASSY TOKYO
TO RUEHC/SECSTATE WASHDC PRIORITY 1941
RUEKJCS/SECDEF WASHDC PRIORITY
RUCPDOG/USDOC WASHDC PRIORITY
RUEATRS/DEPT OF TREASURY WASHINGTON DC PRIORITY
RUYNAAAC/COMNAVFORJAPAN YOKOSUKA JA PRIORITY
RHHMUNA/HQ USPACOM HONOLULU HI PRIORITY
RHHMHBA/COMPACFLT PEARL HARBOR HI//N541// PRIORITY
RHMFIUU/HQ PACAF HICKAM AFB HI//CC/PA// PRIORITY
RUHBANB/OKINAWA FLD OFC US FORCES JAPAN CP BUTLER JA PRIORITY
RUALSFJ/COMUSJAPAN YOKOTA AB JA PRIORITY
INFO RUEHFK/AMCONSUL FUKUOKA 0353
RUEHOK/AMCONSUL OSAKA KOBE 3867
RUEHBJ/AMEMBASSY BEIJING 6276
RUEHMO/AMEMBASSY MOSCOW 1584
RUEHUL/AMEMBASSY SEOUL 2353
RUCNDT/USMISSION USUN NEW YORK 3666
RHEHAAA/NSC WASHDC

UNCLAS TOKYO 001285

SIPDIS

SIPDIS

STATE FOR I/RF, PA/PR/FPC/W, IIP/G/EA, EAP/PD, R/MR,
EAP/J, EAP/P, PM;
USTR FOR PUBLIC AFFAIRS OFFICE;
TREASURY FOR OASIA/IMI;
SECDEF FOR OASD/PA;
CP BUTLER OKINAWA FOR AREA FIELD OFFICE;
PACOM HONOLULU FOR PUBLIC DIPLOMACY ADVISOR

E.O. 12958: N/A

TAGS: [OIIP](#) [KMDR](#) [KPAO](#) [JA](#)

SUBJECT: MEDIA REACTION - SIX-PARTY TALKS - TOKYO

LEAD STORIES: Friday morning's Yomiuri and Nihon Keizai front-paged reports from Beijing that the six-party talks on North Korea's nuclear programs went into recess Thursday due to Pyongyang's insistence that the release of frozen DPRK-linked funds at the Macau-based Banco Delta Asia be completed before it returns to the table.

11. "Does DPRK Intend to Reject Nuclear Dismantlement?" The top-circulation, moderate Yomiuri editorialized (3/23): "In the end, it will not be easy to persuade North Korea to abandon its nuclear programs. The six-party talks in Beijing went into recess without any substantive talks on the North's nuclear dismantlement due to Pyongyang's delaying tactics. The North stood firm on its position of not returning to the table until after confirming the transfer of all its frozen funds, estimated at about 25 million USD, from the Macau-based Banco Delta Asia (BDA) to an account in the Bank of China (BOC). The transfer is taking an unexpectedly long time partly because of inaccuracies in relevant documents submitted by North Korea and partly because BOC officials have reportedly refused to accept the money. During the talks, China said it would strive to swiftly overcome the problem in the transfer of the funds, so the North Koreans knew that this was not an intractable problem. Nevertheless, Pyongyang stubbornly refused to discuss nuclear disarmament. North Korea is aiming to outmaneuver the other parties and get as many concessions as possible by pretending to take concrete action to dismantle its nuclear facilities."

12. "Disgusted by North Korea's Stance" An editorial in the liberal Asahi stated (3/23): "The six-party talks went into recess without any concrete achievements. This is because North Korea continued to refuse to return to

the table until after all its funds frozen at BDA, estimated at 25 million USD, which the US had earlier agreed to release, have actually been returned.... Moreover, North Korean chief delegate Kim Gye Gwan returned home without even attending the session on the last day.... The DPRK's attitude at the latest round was far too self-centered.... Both Macau and BDA officials began work to transfer the funds following an accord reached by the US and North Korea. It appears to have taken longer than expected to complete the necessary procedures. That is all there is to it. No one went back on a promise to return the funds.... Why was Pyongyang so intransigent? Is it because it harbors such a deep sense of suspicion toward the US and other nations?"

SCHIEFFER